



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

<b>Bill #</b>	HB0141	<b>Title:</b>	Generally revise Montana consumer loan act
<b>Primary Sponsor:</b>	Jacobson, H.	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Include in HB 2               | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b>Expenditures:</b>				
State Special Revenue	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
State Special Revenue	\$141,500	\$149,000	\$149,000	\$149,000
<b>Net Impact-General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal Impact:** This bill will create additional revenue to the state special revenue fund. There will be no additional expenditures to the state special revenue fund. There will be no impact to the general fund.

### FISCAL ANALYSIS

#### Assumptions:

- The proposed changes to the Montana Consumer Loan Act will increase initial licensing fees from \$250 to \$500, an increase of \$250 per license. Fees for licenses issued for a period of less than six months will be increased from \$150 to \$250, an increase of \$100 per license.
- There will be 160 new consumer loan licenses issued during the biennium. There will be 80 new licenses issued during FY 2008 of which half (40) will be for a period of less than six months. Revenue generated from the increase in licensing fees in FY 2008 for licenses issued of more than six months will be \$10,000 (40 licenses x \$250). Revenue generated from the increase in licensing fees in FY 2008 for licenses issued for a period of less than six months will be \$4,000 (40 licenses x \$100). There will be 80 new licenses issued during FY 2009 of which half (40) will be for a period of less than six months. Revenue generated

from the increase in licensing fees in FY 2009 for licenses issued of more than six months will be \$10,000 (40 licenses x \$250). Revenue generated from the increase in licensing fees in FY 2009 for licenses issued for a period of less than six months will be \$4,000 (40 licenses x \$100).

3. The proposed changes to the Montana Consumer Loan Act will increase consumer loan license renewal fees from \$200 to \$500, an increase of \$300 per license.
4. The proposed increase in license renewal fees will increase revenue on renewal applications from consumer loan licensees. There will be 425 consumer loan licenses renewed in FY 2008. Revenue generated from the increase of license renewal fees in FY 2008 will be \$127,500 (425 licenses x \$300). There will be 450 consumer loan licenses renewed in FY 2009. Revenue generated from the increase of license renewal fees in FY 2008 will be \$135,000 (450 licenses x \$300).
5. Revenue received in FY 2010 and FY 2011 is assumed to be the same as FY 2009.

	<b><u>FY 2008 Difference</u></b>	<b><u>FY 2009 Difference</u></b>	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Revenues:</u></b>				
State Special Revenue (02)	\$141,500	\$149,000	\$149,000	\$149,000
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
State Special Revenue (02)	\$141,500	\$149,000	\$149,000	\$149,000

**Technical Notes:**

1. This bill would be impacted by the passage of HB 69 titled licensure and regulation for certain residential mortgage lenders. The passage of HB 69 would allocate the majority of consumer loan licensees under a mortgage lender license. There are currently 390 consumer loan licensees. If HB 69 is passed there will be 130 consumer loan licensees in FY 2008 and 140 consumer loan licensees in FY 2009.

---

*Sponsor's Initials*


---

*Date*


---

*Budget Director's Initials*


---

*Date*